

February 27, 2023

Written Testimony Submitted to the Connecticut General Assembly in support of HB 5673.

To Senator Fonfara, Representative Horn, and the distinguished members of the Finance, Revenue and Bonding Committee

Thank you for the opportunity to submit written testimony in support of House Bill 5673: AN ACT CONCERNING THE REFORMATION OF CERTAIN TAXES AND TAX EQUITY. I am Dr. Annie Harper and the views I express here are solely my own and do not represent those of any organization or agency with which I am currently or have previously been affiliated.

I am an Assistant Professor at the Yale School of Medicine Department of Psychiatry's [Program for Recovery and Community Health](#), conducting research into the associations between finances, poverty, and mental health. My research has documented in detail the health and well-being impacts of poverty on the lives of Connecticut residents. It is unconscionable that so many people are struggling financially to raise their families even though they live in the wealthiest state in the country, while the wealthy only get wealthier.

Studies that I have conducted in the state have shown the extent to which families are struggling to pay their bills and meet their basic needs. A study we conducted in New Haven in 2020, before the worst impacts of the Covid-19 pandemic, found that low to medium income residents of the city are drowning in debt. Just under a half of those we surveyed had credit card debt, more than half of whom carried a balance from month to month. More than a third of people with a utility bill currently had arrears, and more than a third of renters had been behind on rent at some point in the prior year. This study also found that people with these types of debt reported worse physical and mental health than others. Interviews with tenants as part of this study found that they juggle multiple types of debt as they try to make ends meet, causing significant stress and anxiety and damaging their ability to build stronger financial futures for themselves and their families.

The types of debt that we found are indicative of a profound poverty and related health crisis, as has been found in numerous other studies conducted in Connecticut. While the pandemic worsened this crisis for some, we know that the poverty and inequality we see across the state has existed for many years before we ever heard of Covid-19. The pandemic simply exposed and exacerbated an existing injustice. Now that we can no longer deny the depth and breadth of the problem, we have an opportunity to put things right. Tax reform is absolutely central to making the changes that we need to create a more just, economically secure and healthy society. It is time to level the playing field by making the bold investments we need in essential public services, education, health care, housing, and municipal aid. This is why I urge you to vote in support of HB 5673.

Thank you for your consideration of my comments,

Sincerely
Annie Harper, PhD, Annie.harper@yale.edu